

Message Text

LIMITED OFFICIAL USE

PAGE 01 OECD P 11990 01 OF 05 222043Z
ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-01 INR-07
L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15
AID-05 CEA-01 COME-00 EB-08 EA-07 FRB-03 IO-13
NEA-10 OPIC-03 TRSE-00 LAB-04 SIL-01 AGRE-00
OMB-01 ERDA-05 FPC-01 INT-05 OES-06 STR-04
ACDA-07 AF-10 ARA-06 FEA-01 NSCE-00 SSO-00
USIE-00 INRE-00 EURE-00 /153 W
-----222115Z 080571 /63

O 222032Z APR 77
FM USMISSION OECD PARIS
TO SECSTATE WASH DC IMMEDIATE 6268

LIMITED OFFICIAL USE SECTION 01 OF 05 OECD PARIS 11990

PASS EB/ORF-BOSWORTH, RAICHT

E.O.11652: NA
TAGS: ENRG OECD
SUBJECT: SLT REPORT ON THE GROUP OBJECTIVE AND OTHER
ALLIED TASKS

FOLLOWING IS TEXT OF SUBJECT REPORT AGREED TO BY SLT
APRIL 21:

BEGIN TEXT
AT ITS LAST MEETING THE GOVERNING BOARD AGREED THAT
THERE IS A PROBABILITY OF A SERIOUS IMBALANCE BETWEEN
ENERGY DEMAND AND SUPPLY BY 1985 AND THAT IEA MEMBER
COUNTRIES ARE FACED WITH A SERIOUS ENERGY PROBLEM.

IN LIGHT OF THIS SITUATION, THE GOVERNING BOARD REQUEST-
ED THE SLT:

L. TO MAKE ANY NECESSARY ADJUSTMENTS TO THE COUNTRY
REPORTS SET FORTH IN IEA/GB(77)15 WITHOUT, HOWEVER, RE-
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 OECD P 11990 01 OF 05 222043Z

OPENING THEIR BASIC CONCLUSIONS OR THE REVIEW EXERCISE
AS SUCH;

2. TO PREPARE A REPORT FORMULATING THE GROUP OBJECTIVE
FOR 1985.
3. TO EXAMINE THE ELEMENTS FOR ASSESSING EQUIVALENCE OF

EFFORT UNDERTAKEN BY DIFFERENT PARTICIPATING COUNTRIES

4. TO PROVIDE FURTHER ANALYSIS OF THE ISSUES RAISE BY
THE SLT REVIEW AND THE SUGGESTED LINES OF FUTURE ACTION;

5. TO STUDY POSSIBLE NATIONAL AND COOPERATIVE MEASURES
TO OVERCOME THE CONSTRAINTS AS IDENTIFIED DURING THE SLT
REVIEW.

A. ADJUSTMENTS TO COUNTRY REPORTS

THE SLT DECIDED THAT COUNTRIES UNDER REVIEW AND RAPPORT-
EURS SHOULD RESOLVE BILATERALLY NECESSARY ADJUSTMENTS TO
COUNTRY REPORTS.

RAPPORTEURS' RECOMMENDATIONS FROM THESE COUNTRY REVIEWS,
WHICH HAVE NOT BEEN SUBJECT TO AN ASSESSMENT OF EQUIVA-
LENCE OF EFFORTS BY THE SLT, SHOULD BE GIVEN SERIOUS CON-
SIDERATION BY THE COUNTRIES IN QUESTION BUT SHOULD NOT
PREJUDICE THE DEVELOPMENT OF THE LINES OF FUTURE ACTION
FOR ENERGY POLICY.

B. GROUP OBJECTIVE FOR 1985

THE BASIC PURPOSE OF AN IEA GROUP OBJECTIVE FOR REDUCING
DEPENDENCE ON IMPORTED OIL IS TO CONTRIBUTE TO A MORE AC-
CEPTABLE BALANCE IN THE WORLD ENERGY MARKET. SUCH A
BALANCE IS ESSENTIAL TO ENSURE THAT IEA COUNTRIES CAN
ACHIEVE THEIR BASIC ECONOMIC OBJECTIVES. TO BE CREDIBLE
AND TO INDICATE THAT THE INDUSTRIALIZED COUNTRIES ARE
PREPARED TO ADOPT NATIONAL ENERGY POLICIES TO MEET THEIR
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 OECD P 11990 01 OF 05 222043Z

RESPONSIBILITY FOR RESTORING A REASONABLE BALANCE IN
WORLD ENERGY MARKETS AND THUS CONTRIBUTE TO STABLE
ECONOMIC GROWTH, THE IEA OBJECTIVE MUST BE STATED AS A
REALISTIC AND ACHIEVABLE LEVEL OF OIL IMPORTS BY IEA
COUNTRIES IN 1985.

TO ENSURE THAT IEA COUNTRIES CAN ATTAIN THIS OBJECTIVE,
PARTICIPATING COUNTRIES SHOULD UNDERTAKE POLITICAL
COMMITMENTS TO FORMULATE AND ESTABLISH NATIONAL ENERGY
POLICIES WITHIN AN AGREED UPON FRAMEWORK.

IN LIGHT OF THESE FACTORS, THE SLT BELIEVES THAT SUCH
AN IEA GROUP OBJECTIVE SHOULD BE FORMULATED IN QUANTITA-
TIVE TERMS AS THE TARGET LEVEL OF OIL IMPORTS THE IEA
INTENDS TO ACHIEVE BY 1985.

IN FORMULATING THE PROPOSED GROUP OBJECTIVE, THE SLT HAS
EXAMIN-D THE POTENTIAL 11 MMBD EXCESS IN OIL IMPORT
DEMAND OVER THAT PROJECTED IN MEMBER COUNTRY SUBMISSIONS

WHICH WAS IDENTIFIED DURING THE REVIEW OF IEA COUNTRY
NATIONAL ENERGY PROGRAMS TO DETERMINE WHAT PORTIONS

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 OECD P 11990 02 OF 05 222048Z
ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-01 INR-07
L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15
AID-05 CEA-01 COME-00 EB-08 EA-07 FRB-03 IO-13
NEA-10 OPIC-03 TRSE-00 LAB-04 SIL-01 AGRE-00
OMB-01 ERDA-05 FPC-01 INT-05 OES-06 STR-04
ACDA-07 AF-10 ARA-06 FEA-01 NSCE-00 SSO-00
USIE-00 INRE-00 EURE-00 /153 W
-----222115Z 080814 /63

O 222032Z APR 77

FM USMISSION OECD PARIS

TO SECSTATE WASH DC IMMEDIATE 6269

LIMITED OFFICIAL USE SECTION 02 OF 05 OECD PARIS 11990

MIGHT BE RECOVERD THROUGH THE ADOPTION AND IMPLEMENTA-
TION OF MORE VIGOROUS ENERGY POLICIES.

THE SLT CONCLUDED THAT AN IEA GROUP OBJECTIVE TO HOLD
OIL IMPORTS APPROXIMATELY TO 26 MMBD BY 1985 WAS ACHIEV-
ABLE. POTENTIAL SAVINGS BY SECTOR ARE INDICATED BELOW:

I. DEMAND

CONSERVATION AND MORE RATIONAL USE OF EXISTING ENERGY
RESOURCES ARE THE MOST PROMISING AREAS IN WHICH SAVINGS
CAN BE REALIZED.

IN ITS REVIEW OF MEMBER COUNTRY ENERGY PROGRAMS, THE SLT
FORESAW AN ANNUAL GROWTH RATE FOR TOTAL PRIMARY ENERGY
(TPE) BY IEA COUNTRIES OF 4.8 PER CENT A YEAR OVER THE
PERIOD 1975-1985, RESULTING IN IEA ENERGY DEMAND OF
ABOUT 100 MMBD (5000 MTOE) IN 1985. IN COUNTRY SUB-
MISSIONS, MEMBER COUNTRIES HAVE PROJECTED A 4.2 PER CENT
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 OECD P 11990 02 OF 05 222048Z

AVERAGE ANNUAL GROWTH IN ENERGY DEMAND FOR THE IEA AREA, RESULTING IN IEA ENERGY DEMAND OF ABOUT 94 MMBD (4700) BY 1985.

ONE APPROACH WOULD BE TO AGREE TO HOLD THE AVERAGE GROWTH RATE IN IEA ENERGY CONSUMPTION TO A SPECIFIED LEVEL. IF THE ANNUAL TPE GROWTH RATE WERE HELD TO 3.5 PER CENT FOR THE IEA, TOTAL IEA ENERGY DEMAND IN 1985 WOULD BE 90 MMBD (4500 MTOE). THIS WOULD RESULT IN TOTAL SAVINGS OF 10 MMBD OIL EQUIVALENT OF WHICH 5-6 MMBD WOULD BE OIL IMPORTS BASED ON EXISTING FUEL CONSUMPTION PATTERNS. THIS, OR LOWER LEVELS OF ENERGY GROWTH, APPEAR ATTAINABLE AND HAVE ALREADY BEEN ADOPTED OR PROPOSED AS NATIONAL GOALS BY CERTAIN IEA MEMBERS.

AN ALTERNATIV APPROACH WOULD REQUIRE ACCEPTANCE OF THE 1985 OBJECTIVE FOR ENERGY CONSUMPTION RECOMMENDED BY THE CONSERVATION SUB-GROUP (IEA/SLT(76)82). THIS OBJECTIVE OF HOLDING ENERGY CONSUMPTION BY IEA COUNTRIES TO 90 MMBD BY 1985 IS BASED ON A REDUCTION FOR THE IEA AS A WHOLE OF ABOUT 15 PER CENT IN THE TPE/GDPRATIO COMPARED TO 1973. ON EXISTING PATTERNS OF FUEL CONSUMPTION, THIS APPROACH WOULD RESULT IN APPROXIMATELY SIMILAR SAVINGS IN OIL IMPORTS OF ABOUT 5-6 MMBD.

TO ACHIEVE THESE SAVINGS, IEA MEMBERS SHOULD AGREE TO ADOPT CONSERVATION POLICIES, WITHIN THE BROAD FRAMEWORK SET OUT BY THE SLT, RECOGNIZING THAT VARIOUS COUNTRIES WILL GIVE DIFFERENT EMPHASIS TO INDIVIDUAL ELEMENTS OF SUCH CONSERVATION MEASURES TO MEET OTHER OBJECTIVES.

II. SUPPLY

THE SLT IDENTIFIED POTENTIAL SHORTFALLS IN SEVERAL SUPPLY SECTORS: NUCLEAR POWER, OIL AND GAS PRODUCTION AND GAS IMPORTS.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 OECD P 11990 02 OF 05 222048Z

A. NUCLEAR

THE SLT ESTIMATED THAT IEA NUCLEAR POWERED ELECTRICITY WO WOULD ACCOUNT FOR ABOUT 6.4 MMBD (320 MTOE) BY 1985, A SHORTFALL OF ABOUT 2.2 MMBD (110 MTOE) COMPARED WITH IEA MEMBER COUNTRY PROJECTIONS. THE 1977 REVIEW OF MEMBER COUNTRY NUCLEAR PROGRAMS BY THE NUCLEAR SUB-GROUP CONFIRMED THESE FINDINGS. GIVEN THE LONG LEAD TIMES NECES-

SARY FOR APPROVAL, SITING, CONSTRUCTION AND OPERATION OF
NUCLEAR PLANTS, THIS PROJECTION APPEARS REALISTIC.

NOT ALL OF THE PROJECTED SHORTFALL IN NUCLEAR POWER
CAPACITY WILL BE DIRECTLY TRANSLATED INTO INCREASED
OIL IMPORTS. IN ADDITION, THE PROJECTED RATE OF GROWTH
IN DEMAND FOR ELECTRICITY MAY FALL SHORT OF PROJECTIONS.
MOST, IF NOT ALL OF THIS SHORTFALL COULD BE OFFSET
THROUGH VIGOROUS ENERGY POLICIES INCLUDING INCREASED
USE OF OTHER FUELS, PRIMARILY COAL, AND MORE STRINGENT
CONSERVATION MEASURES. SUCH POLICYACTIONS COULD RESULT
IN SAVINGS OF APPROXIMATELY 1.5 MMBD OF OIL IMPORTS.

B. OIL PRODUCTION

IEA PRODUCTION LEVELS FORECAST BY MEMBER COUNTRIES,
MINUS THE POSSIBLE SHORTFALLS, WERE ESTIMATED AT ABOUT
16.3 MMBD (815 MTOE) BY 1985. BY FACILITATING THE
ACCELERATED DEVELOPMENT OF OIL IN OFFSHORE AND FRONTIER
AREAS, WITH REASONABLE ENVIRONMENTAL SAFEGUARDS, MEMBER
COUNTRIES COULD INCREASE IEA OIL PRODUCTION BY SOME 2.5
MMBD (125 MTOE) BY 1985, AND REDUCE OIL IMPORTS BY A
SIMILAR AMOUNT.

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 OECD P 11990 03 OF 05 222050Z
ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-01 INR-07

L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15

AID-05 CEA-01 COME-00 EB-08 EA-07 FRB-03 IO-13

NEA-10 OPIC-03 TRSE-00 LAB-04 SIL-01 AGRE-00

OMB-01 ERDA-05 FPC-01 INT-05 OES-06 STR-04

ACDA-07 AF-10 ARA-06 FEA-01 NSCE-00 SSO-00

USIE-00 INRE-00 EURE-00 /153 W

-----222114Z 080702 /63

O 222032Z APR 77

FM USMISSION OECD PARIS

TO SECSTATE WASH DC IMMEDIATE 6270

LIMITED OFFICIAL USE SECTION 03 OF 05 OECD PARIS 11990

C. GAS PRODUCTION

GAS PRODUCTION ESTIMATES EME-GING FROM THE SLT REVIEW INDICATE A SHORTFALL OF SOME 2.6 MMBD (132 MTOE) IN 1985 WHEN COMPARED TO PREVIOUS ESTIMATES. NATIONAL GAS EXPERTS WILL MEET SHORTLY TO PREPARE THE GROUNDWORK FOR A STUDY TO BE UNDERTAKEN BY DELEGATE BODIES. THE FOCUS OF THE STUDY WILL BE TO DETERMINE THE EXTENT TO WHICH THE NATURAL GAS SHORTFALL CAN BE OFFSET BY APPROPRIATE NATIONAL POLICIES IN THIS AREA.

D. GAS IMPORTS

IEA COUNTRIES EXPECT NATURAL GAS IMPORTS TO INCREASE FROM 8 MTOE IN 1975 TO 112 MTOE IN 1985, A LARGE PORTION OF WHICH WILL BE IN THE FORM OF LNG. THE SLT CONSIDERS THAT APPROXIMATELY 50 MTOE OF THESE LNG IMPORTS ARE AT RISK. THIS COULD RESULT IN INCREASED IEA OIL IMPORTS OF 1 MMBD BY 1985. APOROXIMATELY 50 OF THIS LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 OECD P 11990 03 OF 05 222050Z

POTENTIAL SHORTFALL (0.5 MMBD) COULD BE SAVED BY DEVELOPING THE NECESSARY GAS INFRASTRUCTURE, AND BY PUTTING IN PLACE APPROPRIATE NATIONAL POLICIES TO ENCOURAGE INDIGENOUS GAS PRODUCTION.

THE COMBINED EFFECT OF THESE POTENTIAL SAVINGS IN DEMAND AND SUPPLY AMOUNT TO APPROXIMATELY 10 MMBD WHICH WOULD RESULT IN AN IEA OIL IMPORT LEVEL OF 26 MMBD BY 1985.

AN ESTIMATE OF OPEC PRODUCTION LEVELS COMBINED WITH AN ASSESSMENT ON THE NON-IEA OIL IMPORTS REQUIREMENT WOULD ALSO RESULT IN APPROXIMATELY 26 MMBD AVAILABLE FOR IEA AS OIL IMPORTS BY 1985.

NOT EXCEEDING THIS LEVEL OF OIL IMPORTS, WHICH IS ROUGHLY IN LINE WITH THE TOTAL OF THE OIL IMPORT REQUIREMENTS SUBMITTED BY DELEGATIONS DURING THE RECENT SLT REVIEW; AND WHICH IS SLIGHTLY ABOVE ESTIMATED 1976 IMPORT LEVELS CAN ONLY BE REALIZED IF THE RATE OF GROWTH IN OIL DEMAND IS KEPT TO A MINIMUM. ANY INCREMENTAL DEMAND SHOULD BE MET BY OTHER FUELS. IT ALSO IMPLIES THAT CONSERVATION POLICIES WILL HAVE TO BE SUBSTANTIALLY STRENGTHENED.

IN ORDER TO ENSURE THAT THE IEA CAN MEET THIS GROUP OBJECTIVE, WE SHOULD AGREE TO A SET OF GENERAL RECOMMENDATIONS FOR ENERGY POLICY ACTIONS. THESE RECOMMENDATIONS, ALTHOUGH OF A GENERAL NATURE SHOULD BE PHRASED IN SUCH A SPECIFIC WAY THAT PARTICIPATING COUNTRIES WOULD CONSIDER THEM AS RELEVANT ELEMENTS OF THEIR NATIONAL ENERGY POLI-

CY AND NOT FIND IT TOO DIFFICULT TO TRANSLATE THEM INTO
CONCRETE POLICY MEASURES.

THE NATIONAL POLICIES SHOULD BE REVIEWED FROM THE
VIEW POINT OF THE GROUP OBJECTIVE, THE GENERAL RECOM-
MENDATIONS AND THE COUNTRIES' STATED POLICY INTENTIONS.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 OECD P 11990 03 OF 05 222050Z

THE REVIEW SHOULD ALSO CONSIDER THE EQUIVALENCE OF EF-
FORTS BY MEMBER COUNTRIES AND THE POTENTIAL FOR COOPERA-
TION BY IEA MEMBERS TO OVERCOME CONSTRAINTS.

THE IEA SHOULD ALSO AGREE TO ASSESS, ON AN ANNUAL BASIS,
THE GROUP OBJECTIVE FOR REDUCED DEPENDENCE IN LIGHT OF
THE RESULTS OF THE REVIEW OF MEMBER COUNTRY ENERGY
PROGRAMS AND OTHER DEVELOPMENTS.

THE IEA SHOULD CONSIDER THE UTILITY OF EXTENDING THE
ANALYSIS BEYOND 1985, PERHAPS TO 1990, TO CONSIDER
WHETHER ALTERNATIVE ENERGY POLICIES WOULD BE APPROPRIATE
THIS WOULD ALSO HELP ENSURE THAT THE PRIORITIES AND OB-
JECTIVES OF R&D STRATEGIES TO SUPPORT MEDIUM TERM POLI-
CY GOALS AND IN THE ESTABLISHMENT OF LONGER TERM GOALS
FOR THE TRANSITION TO RENEWABLE ENERGY SOURCES CAN BE
ACHIEVED.

C. EXAMINATION OF THE ELEMENTS FOR ASSESSING EQUIVA-
LENCE OF EFFORTS

IN ITS DECISION ON 9TH NOVEMBER, 1976, INITIATING THE
ESTABLISHMENT OF AN IEA GROUP OBJECTIVE FOR REDUCED
DEPENDENCE, THE GOVERNING BOARD CONCLUDED THAT ADEQUATE
EQUIVALENCE OF EFFORTS AMONG COUNTRIES MUST BE ASSURED
BOTH DURING THE PERIOD THAT NATIONAL ENERGY POLICIES
ARE BEING FORMULATED AND THROUGHOUT THEIR IMPLEMENTATION
SUCH AN ASSESSMENT PRIOR TO THE ESTABLISHMENT OF AN IEA
OBJECTIVE WILL, OF NECESSITY, BE SUBJECTIVE BECAUSE OF
THE ABSENCE OF AN AGREED METHODOLOGY.

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 OECD P 11990 04 OF 05 222056Z
ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-01 INR-07
L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15
AID-05 CEA-01 COME-00 EB-08 EA-07 FRB-03 IO-13
NEA-10 OPIC-03 TRSE-00 LAB-04 SIL-01 AGRE-00
OMB-01 ERDA-05 FPC-01 INT-05 OES-06 STR-04
ACDA-07 AF-10 ARA-06 FEA-01 NSCE-00 SSO-00
USIE-00 INRE-00 EURE-00 /153 W
-----222113Z 080997 /63
O 222032Z APR 77
FM USMISSION OECD PARIS
TO SECSTATE WASH DC IMMEDIATE 6271

LIMITED OFFICIAL USE SECTION 04 OF 05 OECD PARIS 11990

A REASONABLE APPROACH TO THIS PROBLEM WOULD INVOLVE AN ASSESSMENT OF NATIONAL ENERGY PROGRAMS DURING THE ANNUAL REVIEW IN THE SLT ACCORDING TO A COMMON SET OF CRITERIA. IN THIS PROCESS, NATIONAL ENERGY POLICY MEASURES AND THEIR EFFECTS SHOULD BE QUANTIFIED WHEREVER POSSIBLE. SUCH QUANTIFICATION WOULD INITIALLY BE ONLY OF A PRELIMINARY NATURE, BUT WITH TIME IT WOULD BECOME MORE PRECISE AND RELIABLE. IN THIS RESPECT, THE IEA GROUP OBJECTIVE AND AGREED UPON ENERGY POLICY RECOMMENDATIONS WOULD SERVE AS YARDSTICKS.

THE ELEMENTS TO BE EXAMINED AS THE BASIS FOR THIS ASSESSMENT ARE NOW BEING CONSIDERED BY THE SLT. ON THE CONSERVATION SIDE, THE FOLLOWING PARAMETERS HAVE BEEN IDENTIFIED:

(A) ACTUAL ENERGY CONSERVATION PERFORMANCE, I.E. ENERGY DEMAND, TPE/GDP RATIO, INCOME ELASTICITY, TPE/CAPITA;
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 OECD P 11990 04 OF 05 222056Z

(B) ENERGY EFFICIENCIES IN ALL CONSUMPTION SECTORS;
(C) GOVERNMENT EFFORTS, I.E. RESOURCES DEVOTED TO CONSERVATION, R&D, ETC.

FURTHER ANALYSIS OF THESE PARAMETERS AND OTHERS IDENTIFIED IN THE ANNEXES TO THE GOVERNMENT BOARD'S DECISION OF 9TH NOVEMBER, 1976, AND TO THE SLT REPORT ON THE REVIEWS OF NATIONAL ENERGY PROGRAMS (REFER TO IEA/GB(77) 13) WILL BE NECESSARY BEFORE AN ADEQUATE ASSESSMENT OF

NATIONAL EFFORTS IN CONSERVATION CAN BE MADE. ON THE SUPPLY SIDE, A NUMBER OF ELEMENTS EMERGE FROM THE ANNEX TO THE GOVERNING BOARD'S NOVEMBER DECISION AND AS SUGGESTED BY CERTAIN DELEGATIONS. THESE INCLUDE:

- ENERGY RESOURCE BASES;
- ENERGY INVESTMENT IN ALTERNATIVE SOURCES, PER CAPITA;
- ENERGY PRODUCTION POLICIES;
- R&D IN ALTERNATIVE ENERGY SOURCES;
- COOPERATIVE INITIATIVES (WITH OTHER IEA COUNTRIES AND WITH NON-IEA NATIONS);
- CONTINGENCY PROGRAMS.

THE METHODOLOGY, PROCEDURES AND ANALYTICAL CONTRIBUTIONS BY THE SECRETARIAT FOR THIS ASSESSMENT SHOULD BE PROGRESSIVELY DEVELOPED AND REFINED IN THE ANNUAL SLT REVIEWS OF NATIONAL ENERGY PROGRAMS. THE ASSESSMENT SHOULD INCLUDE A COUNTRY BY COUNTRY EVALUATION OF THE ACHIEVEMENTS IN THE ENERGY FIELD, INCLUDING FINDINGS, SUGGESTIONS AND, WHERE POSSIBLE, COMPARISONS IN THE LIGHT OF THE EXPERIENCE OF THE PARTICIPATING COUNTRIES. THE PURPOSE OF THIS ON-GOING ASSESSMENT WOULD BE TO PERMIT AN OVERALL EVALUATION OF NATIONAL ENERGY PROGRAMS IN RELATION TO THE ATTAINMENT OF THE GROUP OBJECTIVE FOR REDUCED DEPENDENCE AND AGREED UPON GENERAL ENERGY POLICY RECOMMENDATIONS. IT SHOULD BE EMPHASIZED THAT THIS CONTINUING ASSESSMENT OF EQUIVALENCE OF EFFORTS WILL NOT RESULT IN AN ALIGNMENT OF NATIONAL ENERGY POLICIES TO A LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 OECD P 11990 04 OF 05 222056Z

COMMON SET OF STANDARDS, AND WILL RECOGNIZE THAT EQUIVALENCE OF EFFORT COULD BE ATTAINED EVEN THOUGH ELEMENTS OF NATIONAL PROGRAMS MAY NOT BE DIRECTLY COMPARABLE. THEREFORE, NATIONAL ENERGY PROGRAMS WOULD BE ASSESSED IN THEIR ENTIRETY IN THIS PROCESS.

D. LINES OF FUTURE ACTION

1. THE IEA GROUP OBJECTIVE FOR 1985 AS OUTLINED IN SECTION B WILL ONLY BE MEANINGFUL WHEN IT IS SUPPORTED BY A GENERAL SET OF POLICY RECOMMENDATIONS. IT IS RECOGNIZED THAT THE FUTURE WORK OF THE SLT WILL HAVE TO BE PURSUED AGAINST THE BACKGROUND OF ANY GENERAL GUIDELINES FOR ENERGY POLICIES THAT MIGHT BE ADOPTED BY THE GOVERNING BOARD.

2. ANTICIPATING THIS, THE SLT IS UNDERTAKING OR CONSIDERING FURTHER ANALYTICAL WORK IN SUPPORT OF SUCH LINES OF FUTURE ACTION, BY ASSESSING POSSIBILITIES FOR COORDINATED POLICIES IN THE FOLLOWING AREAS:

(A) CONSERVATION

(I) INDUSTRIAL CONSERVATION

A MEETING OF EXPERTS ON THIS SUBJECT WILL BE HELD IN EARLY MAY. THE SLT WILL CONSIDER A REPORT ON THIS MEETING AND POSSIBLE POLICY RECOMMENDATIONS.

(II) DISTRICT HEATING AND COMBINED PRODUCTION OF HEAT AND POWER

A MEETING OF EXPERTS ON THIS SUBJECT WAS HELD IN LATE MARCH. THE FINDINGS OF THIS GROUP WILL BE CONSIDERED BY

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 OECD P 11990 05 OF 05 222057Z

ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-01 INR-07

L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15

AID-05 CEA-01 COME-00 EB-08 EA-07 FRB-03 IO-13

NEA-10 OPIC-03 TRSE-00 LAB-04 SIL-01 AGRE-00

OMB-01 ERDA-05 FPC-01 INT-05 OES-06 STR-04

ACDA-07 AF-10 ARA-06 FEA-01 NSCE-00 SSO-00

USIE-00 INRE-00 EURE-00 /153 W

-----222112Z 080930 /63

O 222032Z APR 77

FM USMISSION OECD PARIS

TO SECSTATE WASH DC IMMEDIATE 6272

LIMITED OFFICIAL USE SECTION 05 OF 05 OECD PARIS 11990

THE CONSERVATION SUB-GROUP AT ITS NEXT MEETING.

(III) BUILDING CODES AND RETROFITTING

A STUDY IS UNDER WAY. THERE MAY BE AN EXPERTS' MEETING ON THIS SUBJECT. THE REPORT OF THIS MEETING WILL BE CONSIDERED FOR POSSIBLE POLICY RECOMMENDATIONS.

(IV) ENERGY SAVING IN TRANSPORT SECTOR

(V) TARIFF STRUCTURE OF ELECTRICITY AND GAS

(B) ACCELERATED DEVELOPMENT

(I) COAL UTILIZATION

THE ACCELERATED DEVELOPMENT SUB-GROUP HAS BEGUN AN ASSESSMENT OF THE POTENTIAL FOR SUBSTANTIAL INCREASES IN STEAM COAL UTILIZATION WITHIN THE IEA ON A PRIORITY BASIS AND WILL REPORT ON ITS RESULTS BY JUNE 30TH.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 OECD P 11990 05 OF 05 222057Z

(II) GAS AND GAS INFRASTRUCTURE

AN EXPERTS' MEETING TO DISCUSS THIS ISSUE WILL BE HELD ON APRIL 28TH-29TH WHICH WILL MAKE A PRELIMINARY ANALYSIS OF THE SUPPLY AND COST OF NATURAL GAS AND ITS FUTURE DEVELOPMENT IN ORDER TO IDENTIFY ISSUES WHICH MIGHT REQUIRE POLICY DECISIONS.

(C) NUCLEAR

THE NUCLEAR SUB-GROUP HAS RECENTLY COMPLETED AN INTENSIVE REVIEW OF MEMBER COUNTRIES' NUCLEAR ENERGY PROGRAMS. THE SLT HAS EXAMINED THE CONCLUSIONS OF THIS REPORT AND IS PREPARED TO CONTINUE STUDIES ON SOLVING THE PROBLEMS ASSOCIATED WITH THE NUCLEAR FUEL CYCLE LEADING, WHERE APPROPRIATE, TO COOPERATIVE ENDEAVORS.

E. POSSIBLE NATIONAL AND COOPERATIVE MEASURES TO OVERCOME CONSTRAINTS

THE SLT HAS CONSIDERED POSSIBLE NATIONAL AND COOPERATIVE MEASURES FOR OVERCOMING CONSTRAINTS FOR BETTER UTILIZING ENERGY AND INCREASING PRODUCTION FROM ALTERNATIVE SOURCES.

IN CONSERVATION, AN INDICATIVE LIST OF RECOMMENDED CONSERVATION MEASURES WHICH WAS PUBLISHED AS THE OECD DOCUMENT ENERGY CONSERVATION IN THE INTERNATIONAL ENERGY AGENCY 1976 REVIEW HAS BEEN ADOPTED. ALL MEMBER COUNTRIES HAVE ADOPTED SOME OF THE MEASURES ON THE LIST. COUNTRY REVIEWS PERMIT THE MONITORING OF MEMBER COUNTRIES' PROGRESS IN ADOPTING AND IMPLEMENTING ALL THE MEASURES. STUDIES IN INDUSTRIAL CONSERVATION, DISTRICT HEATING, AND THE COMBINED PRODUCTION OF HEAT AND POWER, AND BUILDING CODES AND RETROFITTING MAY ALSO RESULT IN POLICY RECOMMENDATIONS AND POSSIBLE COOPERATIVE PROJECTS.

IN ACCELERATED DEVELOPMENT, GUIDING PRINCIPLES ARE IN-

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 OECD P 11990 05 OF 05 222057Z

CLUDED IN CHAPTER III OF THE LONG TERM PROGRAM;
THESE ARE DESIGNED TO FACILITATE THE FORMATION OF COOP-
ERATIVE PROJECTS FOR INCREASING PRODUCTION FROM ALTER-
NATIVE SOURCES. THERE ARE ONGOING COOPERATIVE PROGRAMS
IN ENERGY R&D AMONG IEA COUNTRIES, AND IN OIL, GAS,
COAL, AND NUCLEAR THOUGH NOT UNDER THE GUIDING
PRINCIPLES.

FURTHER WORK UNDER THE GUIDING PRINCIPLES IN SUPPORT OF
COOPERATIVE MEASURES AND IMPLEMENTATION OF THE GUIDING
PRINCIPLES IS REQUIRED.

UP TO NOW ONLY SOME HIGH-COST ENERGY PROJECTS HAVE BEEN
IDENTIFIED IN THE IEA FOR CONSIDERATION UNDER THE GUID-
ING PRINCIPLES BUT HAVE NOT EVIDENCED INTEREST TO DATE
FROM OTHER MEMBER COUNTRIES. RECENTLY INITIATED STUDIES
IN COAL UTILIZATION AND GAS AND GAS INFRASTRUCTURE
COULD LEAD TO POSSIBLE COOPERATIVE PROJECTS.

IN THE NUCLEAR FIELD, AS NOTED IN PART D OF THIS REPORT,
THE SLT HAS IT IN MIND TO STUDY THE POSSIBILITIES OF
WIDER COOPERATIVE EFFORTS.
END TEXT
TURNER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: REPORTS, ENERGY, TEXT, COMMITTEES
Control Number: n/a
Copy: SINGLE
Sent Date: 22-Apr-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977OECDP11990
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770141-0209
Format: TEL
From: OECD PARIS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770429/aaaaaymb.tel
Line Count: 626
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 721c8ea0-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 12
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 01-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2721984
Secure: OPEN
Status: NATIVE
Subject: SLT REPORT ON THE GROUP OBJECTIVE AND OTHER ALLIED TASKS FOLLOWING IS TEXT OF SUBJECT REPORT AGREED TO BY S
TAGS: ENRG, OECD, IEA
To: STATE
Type: TE
vdkgvkey: odbcr//SAS/SAS.dbo.SAS_Docs/721c8ea0-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009